

SPECIAL COUNCIL MEETING

FEBRUARY 19, 2014

The Special Council Meeting of the Council of the County of Kaua'i was called to order by Council Chair Jay Furfaro at the Council Chambers, 4396 Rice Street, Room 201, Lihu'e, Kaua'i, on Wednesday, February 19, 2014 at 8:36 a.m., after which the following members answered the call of the roll:

Honorable Mason K. Chock, Sr.
Honorable Gary L. Hooser
Honorable Ross Kagawa
Honorable Mel Rapozo (*present at 8:38 a.m.*)
Honorable JoAnn A. Yukimura
Honorable Jay Furfaro

Excused: Honorable Tim Bynum

Chair Furfaro: I would like to go to approval of the agenda.
May I have a motion for the one (1) item in today's interview process?

APPROVAL OF AGENDA.

Mr. Chock moved for approval of the agenda as circulated, seconded by Mr. Kagawa, and carried by a vote of 6:0:1 (*Mr. Bynum was excused; Mr. Rapozo was not present*).

Chair Furfaro: Since there is only one (1) item on this Special Council Meeting, is there anyone for time restrictions that wants to speak now before we do public testimony after the interview? Seeing no one...you want to speak now? Come right up.

There being no objections, the rules were suspended.

PUBLIC COMMENT.

Pursuant to Council Rule 13(e), members of the public shall be allowed a total of eighteen (18) minutes on a first come, first served basis to speak on any agenda item. Each speaker shall be limited to three (3) minutes at the discretion of the Chair to discuss the agenda item and shall not be allowed additional time to speak during the meeting. This rule is designed to accommodate those who cannot be present throughout the meeting to speak when the agenda items are heard. After the conclusion of the eighteen (18) minutes, other members of the public shall be allowed to speak pursuant to Council Rule 12(e).

ALICE PARKER: Alice Parker. Good morning everybody. On Bill No. 2516, barking dogs, I am here to yap again...

Chair Furfaro: I am sorry, Alice, you will have to wait until 9:00 a.m. for that item.

Ms. Parker:

Oh, okay.

Chair Furfaro: This is a Special Council Meeting dealing with a commissioner's interview. When we finish that at 9:00 a.m., it will be a Committee Meeting and there will be time at the beginning to speak then. This is Council, next one is Committee. Thank you. Is there anyone else that wants to speak on this agenda item, which is dealing with an interview for Brandon Shimokawa? If not, may I ask that Brandon to come up and could you read the agenda item please?

INTERVIEW:

COST CONTROL COMMISSION:

- Brandon H. Shimokawa (*At-Large*) – 12/31/2016

Chair Furfaro: Thank you. Welcome. Good morning, Brandon.

BRANDON H. SHIMOKAWA: Good morning.

Chair Furfaro: I am going to give you the floor. You introduce yourself, and you can speak a little bit on behalf of yourself about your background and then we will do some Q&A from the members.

Mr. Shimokawa: Sure.

Chair Furfaro: So you have the floor.

Mr. Shimokawa: Good morning, Councilmembers. Thank you for hearing me this morning. My name is Brandon H. Shimokawa. I was born on O'ahu. My father is from Kaua'i, my mother is from the Big Island, and we moved to Kaua'i when I was eleven (11). I attended Wilcox Elementary School for sixth grade and moved on to Kaua'i High School where I graduated. Upon graduation in 1998, I left to attend college at the University of Illinois where I received a Bachelors of Science in Finance. Then upon graduating from there in 2002, I began working for Nava Star International Corporation, which is a heavy manufacturing company based out of Chicago, Illinois. I was employed with that company for ten (10) years and moved throughout various positions within the company traveling to plants in Texas, Alabama, and Chicago as well as working in the corporate headquarters. I have had experience in that company working in the corporate Treasury Department, working at manufacturing plants, working at the engine division, all mostly relating to finance and accounting jobs. My most recent position there was a Plant Controller for the Melrose Park Engine Plant, which was a five hundred (500) person manufacturing facility. We shipped roughly sixty to eighty thousand (60,000 – 80,000) diesel engines, ten to eleven (10 – 11) liter diesel engines a year and our annual revenues were half a billion dollars annually. I was in that position for three (3) years when I decided to move back home to be closer to family and I was lucky to have an opportunity to work at Kaua'i Community College where I am currently employed. I am the Vice Chancellor for Administrative Services there, which has responsibility over four (4) functional areas, the fiscal or business office, Human Resources (HR), Facilities, and Public Safety. So, that is the brief, my brief background. Do you have any questions?

Chair Furfaro: Yes. So you are a Fighting Illini?

Mr. Shimokawa: Yes, but I was not much of a sports fan. We had a pretty good basketball team when I was there.

Chair Furfaro: Okay. Let me ask you, where you contacted by the Administration to step forward to volunteer for this or is this something you wanted to initiate as a volunteer contribution to the County?

Mr. Shimokawa: I was contacted by John Isobe to serve and he spoke to me about wanting to get the younger generations involved in the County government and so I said "Sure, why not."

Chair Furfaro: Well I will thank John for encouraging you to do this and I want to thank you for stepping forward. Pretty impressive financial background here and our Cost Control Commission is one that I believe really is required to spend a little bit more time on our staffing guides for the County. We have issues at budget time that speak of large variances between what was staffed for in the budget and what the actual result are and we have trends that are reducing budgeted amounts like the Police Department to the point that they are not qualifying for the appropriate amount of overtime which they have a trend of running to the point of almost half a million. Then we have some departments like the new Human Resources (HR) Department that has a trend of under spending substantially from what they were budgeted so clearly there is a problem on the staffing guidelines when we do the interpretation. Do you, within this Plant Management/Plant Cost Control, do you have much experience with staffing guides? Actual versus trend?

Mr. Shimokawa: Yes. The entire gambit from developing budgets, which incorporate planning for head count or manpower, and then analyzing your actual to your budget or your standard, and looking at all of the variances and the root causes or the drivers for those fluctuations. I have a lot of experience with that.

Chair Furfaro: Our payroll in the County represents, along with Payroll, Taxes and Employee (PT&E), benefits and so forth, representing about eighty-three percent (83%) of our budget in cost and so that is a big, big portion for us to be able to reconcile with the appropriate staffing guides. Have you served in other volunteer positions in any form of government or community?

Mr. Shimokawa: No, this would be the first.

Chair Furfaro: This would be the first. Okay. Well thank you very much for stepping forward.

Mr. Shimokawa: Thank you.

Chair Furfaro: JoAnne, you had questions?

Ms. Yukimura: Thank you for your willingness to serve. You are highly qualified from what I can tell from what you have said, well spoken, highly educated, and what I like is very experienced in systems operations. So you said that you are Vice Chancellor at the Kaua'i Community College which is certainly a plus for them and you are in charge of Human Resources, Facilities, Public Facilities and what was the fourth area?

Mr. Shimokawa:

The Fiscal Office and Public Safety.

Ms. Yukimura: Okay. Kudos to Mr. Isobe, for finding you and for Ms. Morikawa for helping orient you to this process. Do you have any particular areas you think we should focus on or is this too early to ask that question?

Mr. Shimokawa: Yes, it is too early. When I first join I think I am just going to listen and learn about how the County operates and then go from there. I do not have any experience at all with the County's functioning as a entity so I have to just go based off of what all the other commissioners...

Ms. Yukimura:

You are fairly new to your present position.

Mr. Shimokawa:

Correct. Just under a year.

Ms. Yukimura:
operations before?

Have you been involved in any other public

Mr. Shimokawa: No. The only thing and it is through the college, we were asked to send a representative to be on the Līhu'e Community plan and so I am a member of that workshop.

Ms. Yukimura:
Līhu'e Community Plan?

Of the Citizens Advisory Committee to the

Mr. Shimokawa:

Correct, yes.

Ms. Yukimura:

That is a very, very interesting process.

Mr. Shimokawa: Yes, I am learning a lot from there but aside from that, this is my first exposure to the operation of any kind of governmental unit.

Ms. Yukimura: But assuming you take this position and which I do not have any questions that you will be approved, you will be looking at a large State operation, a large County operation and then a community planning process, so that will be a lot to be involved in and they are good.

Mr. Shimokawa: Yes and I think there is a lot of overlap. Whether it is the functioning of the smaller college which has all of the State administrative procedures to follow or the County, I think there will be a lot of overlap and a lot of areas for the sharing of ideas and best practices so that is one of the benefits, I think, of me serving on this commission is to bring back to my day job.

Ms. Yukimura: And you said you have been in Hawai'i for ten (10) years or back in Hawai'i for ten (10) years?

Mr. Shimokawa: No, just one (1) year. So after I left for college, I was on the mainland for roughly fourteen (14) years and then just moved back last December of 2012.

Ms. Yukimura:
(10) years in Hawai'i. Maybe not.

Oh, I see. So somewhere in here you had ten

Mr. Shimokawa:
years, Nava Star on the mainland.

I was with my former employer for ten (10)

Ms. Yukimura:
dollar budget.

And that is the one with the half a billion

Mr. Shimokawa:
years of my employment with Nava Star.

Yes, I was at that plant for the last three (3)

Ms. Yukimura:

And you said that plant manufactured what?

Mr. Shimokawa:

Diesel engines.

Ms. Yukimura:

And where was it?

Mr. Shimokawa:
downtown Chicago.

It was roughly fifteen (15) miles outside of

Ms. Yukimura:

Diesel engines for what purposes?

Mr. Shimokawa:
trucks or snow plows, also school buses. The company was an intergraded
manufacture so they made the engines that went into its trucks and buses. So it
was vertically intergraded.

Mostly for medium duty trucks. So dump

Ms. Yukimura:
the manufacturing process and sales.

Well that is a great way to really understand

Mr. Shimokawa:
the County Council's budget, the vast majority of your costs, your operational costs
are salaries, wages or employee benefit or employment costs. It was the same for
our company. Most of our costs at the plant were either salaries, wages or benefits
and when you take a look at how much you are paying for even all of the raw
materials that you purchase, the majority of the cost there are the conversion cost
or the labor cost that go into producing the raw materials that you then take and
combine into this larger engine so a lot of it circulated around our workforce cost
and we did have a representative workforce there as well. I am familiar with some
of processes around collective bargaining.

Right, but as the Chairman represented for

Ms. Yukimura:
I am very excited that you will be on the Cost Control Commission because we need
minds and perspectives like yours. Thank you very much.

Well that is very impressive background and

Mr. Shimokawa:

Thank you very much.

Chair Furfaro:

Mr. Rapozo, you have the floor now.

Mr. Rapozo:
being here today. You are currently employed by the State?

Mr. Chair I have a question. Thank you, for

Mr. Shimokawa:

Correct.

Mr. Rapozo: Mr. Chair with that we need to take a recess. I suggest that everyone read Section 21.01 because I believe that there is an issue and I would like to clarify this with Boards & Commissions. Could we take a five (5) minute if possible?

There being no objections, the meeting was recessed at 8:51 a.m.

The meeting reconvened at 8:56 a.m., and proceeded as follows:

Chair Furfaro: Brandon, thank you very much for...no, just stay right there...we are stepping on the side here. We are going to consult with the County Attorney and with Paula's office as well. Mr. Rapozo, I am going to give him the floor back. He raises a good question as it relates to this particular commission because I believe this was amended twice because we have had this problem before but I am going to give you the floor, Mr. Rapozo.

Mr. Rapozo: Thank you, Mr. Chair. First of all, I would like to apologize to Brandon, who came out here today and I was really, really excited hearing his answers and I guess it slipped by me that this commission, by charter does not allow any employees of government to serve. It is one (1) of those law, like some states have you cannot eat onions on Thursdays, you know, you cannot...it is still on the books. Councilmember Yukimura and I have talked about co-sponsoring an amendment, a potential Charter Amendment for this because it does say...it says "there shall be a Cost Control Commission composed of seven (7) members not employed in government service." Unfortunately, the applicant is employed by the State so it would disqualify him from this Commission. Again, it is hard for me to sit here and do this but we have to honor the Charter, Mr. Chair. That is why I called for the recess. It is definitely no reflection on Brandon because I was excited that we were going to get someone really qualified in a commission that he could serve well in. I am hoping we can find another spot and we can utilize his talent. That was the purpose, Mr. Chair. I appreciate the time and I will pursue with Councilmember Yukimura a Charter Amendment resolution to get this changed. I do not understand why, there must be a reason why but we have to research but at this stage, I am not sure that it is beneficial. Thank you.

Chair Furfaro: Now, to the County Attorney and Paula, I would like to ask you folks, this has been amended twice and we had, as Mr. Rapozo pointed out, we had a previous issue with this. I thought we were clear but I would like you to go back with Paula's office and take a closer look at this for us. Let us get some really defining outline of what needs to be done especially since Councilmembers Yukimura and Rapozo are prepared to raise a change and I think that is all fair and well. I am going to ask you to do a closer review on this question and does government employment also mean through the University of Hawai'i system. Thank you for the time. I am going to ask Brandon to come up and chat with me again. Would you want to add anything Paula?

PAULA M. MORIKAMI: I want to thank Councilmember Mel Rapozo for bringing that to our attention. I hope that maybe somehow we will look at what other positions we have for Boards & Commissions as Mr. Rapozo has stated and we will research it further and I thank Mr. Rapozo and Ms. Yukimura for considering a Charter Amendment. Thank you very much.

Chair Furfaro: Paula, please understand what I said. I am asking you for a closer review. I do not want to say that we have a young man home in our community, very talented, certainly meets the criteria of what we wanted as both Mr. Rapozo and Ms. Yukimura has pointed out. Let us not totally step away from this opportunity should we get a better and clearer definition.

Ms. Morikami: Okay, I will work with the County Attorneys Office. Thank you, Chair.

Chair Furfaro: Brandon, may I ask you to come up again? Thank you very much, both of you. Brandon, I guess you have heard what we have within the Charter as clearly a conflict here. We need to look into it a little deeper. I want to also say that you are an excellent candidate, especially for the Cost Control Commission. With your background, your financial understanding, your forecasting, your staffing guide experience, exactly what we need but we do have this hurdle. In the mean time, I am certain that we will encourage Paula to look at other Boards & Commissions that you may qualify for until we get some clarity and we would again ask you to step forward then but on behalf of the Council, I am sorry it took us this far to raise the question. I thank Mr. Rapozo for raising it but the rules are what the rules are right now and good to have you home. Good luck in your role at the college but I am sure we will be calling on you again.

Mr. Shimokawa: Not a problem. Thank you very much for you time.

Chair Furfaro: Any other members want to speak?
Mr. Kagawa.

Mr. Kagawa: Thank you, Chair. Brandon, I would like to thank you for submitting your name and I too was impressed with your background, your roots here, and I thought it was a great fit. Hopefully, we can get a Charter Amendment passed so for the future, if this happens, it will not be a barrier from getting good people to represent on the Cost Control Commission. Hopefully, Paula can find another slot for you and one of the Boards I really thought that you would fit in well is the Water Board because they tend to have problems with spending and controlling their overtime and what not. I think a person that comes from the outside, private sector can really help a big entity like that to do some cost cutting measures. So we will look at maybe that Board as to when those vacancies come up but think the Water Board really needs some sound financial management in there and I think you can help with that. Thank you, Brandon.

Mr. Shimokawa: Thank you very much.

Chair Furfaro: Any other members? JoAnn.

Ms. Yukimura: I too want to apologize. I am very distressed but there is a silver lining to this and that is with someone as qualified as you are in the position that you are, I think it makes the Charter Amendment, I mean the present Charter provision so ridiculous. As Councilmember Rapozo mentioned, we will be introducing a Charter Amendment and it would be for this election so in another eight (8) months we should have that removed. I am thinking, someone as yourself, makes it so clear to the public that it is a really unreasonable prohibitional provision. So that will help us get the amendment passed. I sort of hope that you will stay with the Cost Control Commission and in eight (8) months be able to be appointed to it because I think it is, as others have said, such a great fit. I would

love to have you look through the eyes of a Cost Control Commissioner at our operations. Thank you for being here and I am so sorry that we are not able to approve it today but we will look forward to having you serve.

Mr. Shimokawa: Well, thank you very much and thank you for your sentiments.

Ms. Yukimura: Thank you.

Chair Furfaro: Any other members wish to speak at this time? No, okay. Brandon, I am sorry we have discovered this at this time but please do not give up on us and your volunteerism. Your talents would be well serving in many of the Boards & Commissions and I am sure you will be hearing from us again.

Mr. Shimokawa: Thank you very much, Chairman.

Chair Furfaro: Thank you. Thank you so much.

Mr. Shimokawa: Good day.

Chair Furfaro: Is there anyone that wishes to speak on this topic? Alice, please come up.

Ms. Parker: Thank you. Alice Parker. I would like to say this talented young man would be an asset on the Boards & Commissions and I hope that the prohibition is just a remnant of the Hatch Act which I thought was repealed and I hope that can be clarified because we certainly could use it. Thank you.

Chair Furfaro: Alice, we will be asking the County Attorney and Paula to be looking into that. Thank you. Any more testimony?

The meeting was called back to order at 9:06 a.m., and proceeded as follows:

Chair Furfaro: Any further comments from the Board?
Mr. Rapozo.

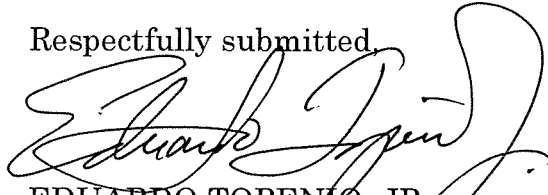
Mr. Rapozo: Thank you, Mr. Chair. Again, as Alice has said, hopefully, it is a remnant; hopefully it is something that we can remove. I am going to do the research to find out why it is there. There has got to be a reason and if it is a reason that it needs to stay then obviously, in my opinion it should stay but at this point I do not see the logic. The other thing, and I spoke to Brandon on the break, was that we could resolve this today by him just quitting the college but he said no he would not do that. Mr. Chair, thank you for the time and hopefully we can get some resolution to this. Thank you.

Chair Furfaro: Any other comments? If not, Brandon, thank you very much. My sincere apology for this hurdle but it is only a hurdle and as you heard I have asked the County Attorney to take a closer look at the current status of this piece. Thank you very much. On that note, I am going to adjourn the Special Council Meeting of this morning and we will be back for the scheduled Committee Meeting in five (5) minutes. Five (5) minutes.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 9:07 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Eduardo Topenio, Jr.', written in a cursive style.

EDUARDO TOPENIO, JR.
Administrative Assistant to the County Clerk

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